

By: Oliver Mills, Managing Director, Kent Adult Social Services
To: Gypsy and Traveller Advisory Board – 13 February 2009
Subject: **RENTS ON PUBLIC SITES MANAGED BY KCC**
Classification: Unrestricted.

Summary: Proposed increases of rents on KCC-managed Traveller sites from 1 April 2009.

Background

1. The rents currently charged on sites managed by the Gypsy and Traveller Unit are:

Aylesham Caravan Site **£49.15**
Snowdon, Dover CT15 4LS

Coldharbour Caravan Site **£38.00**
Old London Road, Ayleford ME20 7NZ

Murston Caravan Site **£45.50**
Castle Road, Sittingbourne ME10 3NL

Vauxhall Road Caravan Site (now officially and postally known as Greenbridge Park)
£48.50
Vauxhall Road, Canterbury CT1 1YZ

Barnfield Park Caravan Site **£40.00**
Ash, Sevenoaks TN15 7LY

Heartenoak Caravan Site **£46.35**
Heartenoak Road, Hawkhurst TN18 5EU

Polhill Caravan Site **£35.00**
Dunton Green, Sevenoaks TN13 2TQ

Windmill Lane Caravan Site **£47.35**
Windmill Lane, West Malling ME19 6PJ

2. All but two of these rents (those for Polhill and Coldharbour) have remained at the same level since 2001, despite increases in the costs of management and maintenance during that period. This was because there were changes to the Housing Benefit regulations in 2001. As a result of those changes, County Councils were treated in the same way as private landlords and site operators of Park Home sites. All rents and proposed rents had to be referred to the Rent Service, and the Rent Service produced an average rent for all caravan sites “in the locality”. Housing Benefit would only be paid up to the amount of that average, which was called the “Local Reference Rent”.

3. In the case of Barnfield Park, although the Rent Service judged the rents in 2001, of £50 per week for a single plot and £55 for a double plot, as being a reasonable market rent, they judged the rents as being “exceptionally high” for Housing Benefit purposes, and therefore did not include them when calculating the “Local Reference Rent”.

Changes of Government Policy and their impact

4. After much lobbying over many years, the Government is changing the rules for Housing Benefit, with effect from 1 April 2009. As a result, County Councils will be able to receive the full rent from Housing Benefit payments for licensees who are claimants.

5. When the Mobile Homes Act 1983 changes take effect (brought into force by the Housing Regeneration Act 2008), probably later in 2009, the raising of any rents in future will be regulated by the terms of that Act. This requires site operators to justify any increase on the basis of increased costs for the benefit of occupiers of mobile homes on the site, and there is a presumption that any increase or decrease would be no greater than changes in the Retail Price Index, unless the legitimate extra costs of the site operator justify a greater increase.

Level of increase from 1 April 2009

6. Increases in other client charges (linked to the benefit uplift) in the Kent Adult Social Services Directorate are generally around 5% from 1 April, and it is recommended that the current site rents are all increased by that margin.

7. These increases will enable the costs of managing and maintaining these sites to be more adequately covered by the income received, than they have been for some years.

8. This will produce the following new rents from that date, with rounding up or down to produce a simple figure:

Aylesham Caravan Site (Dover District) **CURRENT £49.15 – PROPOSED NEW £51.50**

Coldharbour Caravan Site (Tonbridge & Malling Borough) **CURRENT £38.00 PROPOSED NEW £40**

Murston Caravan Site (Swale Borough) **CURRENT £45.50 PROPOSED NEW £48**

Greenbridge Park (Canterbury City) **CURRENT £48.50 PROPOSED NEW £51**

Barnfield Park Caravan Site (Sevenoaks District) **CURRENT £40.00 PROPOSED NEW £42**

Heartenoak Caravan Site (Tunbridge Wells Borough) **CURRENT £46.35 PROPOSED NEW £48.50**

Polhill Caravan Site (Sevenoaks District) **CURRENT £35.00 PROPOSED NEW £36.50**

Windmill Lane Caravan Site (Tonbridge & Malling Borough) **CURRENT £47.35 PROPOSED NEW £49.50**

Recommendation

9. Members of the Advisory Board are asked to endorse the recommendation that these new rents are introduced from 1 April 2009, and that licensees are advised of the increases with the required 28 days notice in advance of that date; and the Cabinet Member for Adult Social Services be advised accordingly so that he can take their views into account when he takes his decision on this matter.

Bill Forrester
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Background papers: none